

BALL JANIK LLP

A T T O R N E Y S

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OF COUNSEL
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RECORDATION No. 20605

RECORDATION No. ~~15599-A~~

15599-A

March 31, 1997

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

RECORDATION No. 15600-D

MAR 31 1 46 PM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Secretary Williams:

I have enclosed two originals of tone document, and the original and one certified copy of two documents, all described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a **Memorandum of Lease Agreement**, a primary document, dated as of March 31, 1997. We request that this document be recorded under the next available Recordation Number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

The Fifth Third Leasing Company
38 Fountain Square Plaza
Cincinnati, OH 45263

Lessee:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

A description of the equipment covered by the Memorandum of Lease Agreement consists of 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703,

Counterpart - [Signature]

Honorable Vernon A. Williams
March 27, 1997
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9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735.

The second document is a Partial Release of Collateral, a secondary document, dated as of March 31, 1997. The primary document to which this is connected is recorded under Recordation No. 15599. We request that this document be recorded under Recordation No. 15599-A.

The names and addresses of the parties to the Partial Release of Collateral are:

Secured Party:

Southdown Financing, Inc.
1200 Smith Street
Houston, TX 77002

Debtor:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

A description of the equipment covered by the Partial Release of Collateral consists of 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735.

The third document is a Partial Release of Collateral, a secondary document, dated as of March 31, 1997. The primary document to which this is connected is recorded under Recordation No. 15600. We request that this document be recorded under Recordation No. 15600-D.

The names and addresses of the parties to the Partial Release of Collateral are:

Secured Party:

Wells Fargo Bank, N.A.
420 Montgomery Street
San Francisco, CA 94163

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Debtor:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

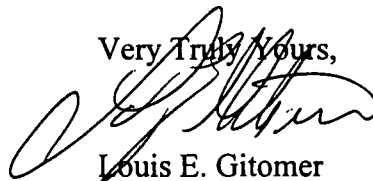
A description of the equipment covered by the Partial Release of Collateral consists of 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735.

A fee of \$72.00 is enclosed. Please return one original of each document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the documents to appear in the index follows: (1) a Memorandum of Lease Agreement between The Fifth Third Leasing Company, 38 Fountain Square Plaza, Cincinnati, OH 45263, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002; (2) a Partial Release of Collateral between Southdown Financing, Inc., 1200 Smith Street, Houston, TX 77002, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002; and (3) a Partial Release of Collateral between Wells Fargo Bank, N.A., 420 Montgomery Street, San Francisco, CA 94163, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002, all covering 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735

Very Truly Yours,



Louis E. Gitomer

Enclosures

RECORDATION No. 15599-ARECEIVED
SURFACE TRANSPORTATION
BOARDMAR 31
1 46 PM '97**PARTIAL RELEASE OF COLLATERAL**

THIS PARTIAL RELEASE OF COLLATERAL, dated as of March 31, 1997 (this "Partial Release"), is executed by **SOUTHDOWN FINANCING, INC.**, a Delaware corporation ("Secured Party"). Secured Party and Southdown, Inc., a Louisiana corporation and successor by merger to Southwestern Portland Cement Company, a Delaware corporation ("Debtor"), are parties to that certain Security Agreement, dated as of April 5, 1988, and recorded with the Interstate Commerce Commission on April 22, 1988 (Recordation Number 15599).

Secured Party hereby releases its security interest in after acquired property created by section three of the Security Agreement for 29 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735. Except as expressly modified and amended by this Partial Release, the provisions of the Security Agreement shall remain in full force and effect in accordance with their original terms.

Secured Party has executed this Partial Release as of the date first set forth above.

SOUTHDOWN FINANCING, INC.,
a Delaware corporation

By: 

Title:

Wendell E. Phillips, II
Secretary

ACKNOWLEDGED AND ACCEPTED:

SOUTHDOWN, INC.
a Louisiana corporation

By: 1 Craig Carleton
Title: Assistant Treasurer

STATE OF

Texas

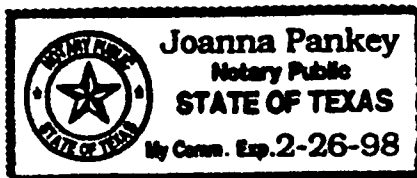
COUNTY OF

Harris

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) ss
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On March 26, 1997 before me, the undersigned, a Notary Public in and for said State, personally appeared L. Craig Carter, personally known to me (or proved to me on basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Joanna Pankey
Notary Public in and for Said State

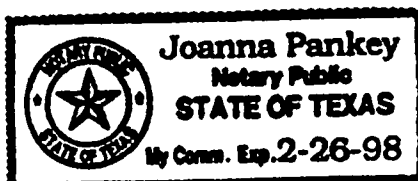
STATE OF

COUNTY OF

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) ss
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On March 26, 1997 before me, the undersigned, a Notary Public in and for said State, personally appeared Wendell E. Phillips II, personally known to me (or proved to me on basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

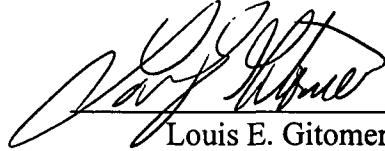
WITNESS my hand and official seal.



Joanna Pankey
Notary Public in and for Said State

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Partial Release of Collateral, dated as of March 31, 1997, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over a horizontal line.

Louis E. Gitomer
March 31, 1997